

**MEMO# 1025**

March 8, 1989

## **CALIFORNIA ADOPTS PROVISION EXEMPTING CERTAIN ADVISERS FROM ITS QUALIFICATIONS REQUIREMENT**

March 8, 1989 TO: INVESTMENT ADVISER ASSOCIATE MEMBERS NO. 17-89 INVESTMENT ADVISER MEMBERS NO. 18-89 RE: CALIFORNIA ADOPTS PROVISION EXEMPTING CERTAIN ADVISERS FROM ITS QUALIFICATIONS REQUIREMENT

Effective February 9, 1989, California adopted a provision which exempts certain investment advisers from the qualifications requirement under the California Investment Adviser Law. A copy of the exemptive provision is attached. Under the exemptive provision, any investment adviser or associated person, as defined in Section 260.236(c), who has been actively engaged as a portfolio manager or securities analyst in the banking, insurance, or securities industry in the United States for three or more years of the five year period immediately preceding the date of filing an application or becoming engaged as an associated person shall be exempt from the qualifications requirement as defined in Section 260.236(a). Also, please note that any associated person employed by the investment adviser who only offers or negotiates for the sale of investment advisory services on behalf of the investment adviser is also exempt from the qualifications requirement found in Section 260.236. Robert L. Bunnan, Jr. Assistant General Counsel Attachment

---

Copyright © by the Investment Company Institute. All rights reserved. Information may be abridged and therefore incomplete. Communications from the Institute do not constitute, and should not be considered a substitute for, legal advice.